

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 2956-02
Bill No.: Perfected SCS for SB 789
Subject: Counties: Classifications
Type: Original
Date: February 10, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials of the **State Tax Commission** assume no fiscal impact to the Commission.

Jasper County Commission assume this proposal could save a second class county the cost of establishing a juvenile center, medical examiner, and salary increases of elected officials until the Commission decides the county could afford it.

Franklin County Commission assumes no fiscal impact.

Oversight assumes the provisions of Sections 48.020 and 48.030 is procedural in nature and could have fiscal impact. By raising the required assessed valuation for a classification change could possibly postpone a county from changing classification until a later date or indefinitely, thereby postponing a possible increase in the expenditure of money on salaries, new offices, etc. For purposes of this fiscal note, Oversight assumes this proposal could save certain counties money from postponing a classification change. **Fiscal impact to certain counties will be shown as \$0 or Unknown savings. This proposal has an Emergency Clause.**

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10Mo.)	FY 2006	FY 2007

CERTAIN COUNTIES

Savings - to certain counties
postponing class change

\$0 or Unknown **\$0 or Unknown** **\$0 or Unknown**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act modifies the classification of counties. The assessed valuation necessary to qualify as a first class county is increased from the current \$450 million to \$600 million. The assessed valuation necessary to qualify as a second class county is increased from the current \$300 million to \$450 million. No county will move to a lower classification than its current classification as a result of the changes in the assessed valuation requirement, however, such a county may move to a lower classification after five years at a level below the requisite amount for the county's current classification.

This act modifies Section 48.030, RSMo, to allow any county that has the requisite assessed valuation to become a first class county to choose to do so upon an affirmative vote of the county's governing body, even though the county has not had such valuation for five successive years as required under current law.

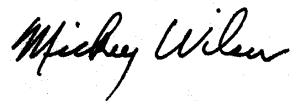
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri State Tax Commission
Jasper County Commission
Franklin County Commission

NOT RESPONDING

Boone County Commission
Callaway County Commission
Cole County Commission
Greene County Commission
Johnson County Commission
Jefferson County Commission
Warren County Commission
Marion County Commission
Taney County Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 10, 2004